MO270087 TaskID# 3836 Cc: Paul Wayne

# APPLICATION FOR SITE AND BOND RELEASE

To: State of Utah

Department of Natural Resources Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210

Box 145801

Salt Lake City, Utah 84114-5801

RECEIVED

NOV 0.3 2010

Div. of Oil, Gas & Mining

From Operator/Permittee: Stone Resources, LLC

218 W. Paxton Ave.

Salt Lake City, Utah 84101 Phone: 801-706-3462

Contact Person: W. David Weston (801-706-3462)

Mine/Project Name: North Canyon, Tejon Quarries, Millard County.

File Number:

M/027/087 - Large Mine permit

#### I. Site Release:

The Operator has concurrently filed with DOGM an Application for Mineral Mine Plan Termination pursuant to NOI for Tejon Quarries Approved July 13, 2006 - M14/027/087.

#### II. Release of Bonds:

The Operator/Applicant requests a release for any further bond requirement pursuant to NOI Large Mining Operations approved July 13, 2006, (M14/027/087 consisting of the following identified quarries and associated acreage:

The Buckskin (Tejon #1) 4.67 acres
The Smoke (Tejon #2) 1.32 acres
The Mauve (Tejon #3) .99 acres
The Burdundy (Tejon #4) 2.93 acres
Total 9.91 acres

# III. Bonded Acreage and Amount of Existing Surety:

The total bonded acreage in M/027/087 consists of 9.91 acres and the current amount of bonds is believed to be \$65,710.00 including accumulated interest. DOGM

and the operator have agreed that DOGM will retain from the current bond amount the sum of \$16,200 to provide bonding for the small mine permit concurrently filed by the Operator with respect to the Tejon #4 quarry, comprising some 2.93 acres. Accordingly, \$49,510.00 are requested to be immediately released to the Operator.

## IV. Reason for Bond Release Request:

The Operator has filed an Application for Mine Termination respecting the Tejon Quarries. The Operator has not been allowed by the BLM to operate in the Tejon quarries since November 8, 2008. The Operator has been informed that the BLM desires the sites to remain open for the investigation of alleged significant Paleontogical resources. On April 3, 2010, the Applicant sent a Notice letter to the BLM and John R. Baza, Director of DOGM that it was reclaiming these quarries and that it had commissioned a D8 dozer for this purpose. Subsequently, the BLM requested that the quarries not be reclaimed. The Operator has met with Mr. Glenn Carpenter, Director of the West Desert District Office of the BLM and Mr. Mike Gates, manager of the Fillmore Office along with Jerry Mansfield, geologist of the Fillmore BLM office regarding reclamation of the Tejon quarries. The BLM has requested that the Operator provide only minor reclamation to the Tejon mine sites as the BLM desires that Tejon quarry sites No. 1, 2 and 3 be left open and exposed for fossil collection and Paleontological study. This determination alleviates any requirement for reclamation as set out in the NOI on page 12 under heading VII. Rule R647-4-110 - Reclamation Plan.

# V. BLM Approved Limited Reclamation:

There are not wells or shafts within the Tejon quarries The Tejon quarries have been cleaned of all foreign objects and materials, all paletized stone has been removed, the burms on the ends of the parking areas have been contoured for plant growth, all high walls have been appropriately reduced and roads leading into the quarry pits have been blocked. No drainages are affected requiring restablishment or stabilization. No structures are present. All slopes, pits and highwalls are in a stable condition. No roads require reclamation and there are no erosion controls necessary. These actions have been approved by the BLM in an onsite meeting with Mr. Jerrry Mansfield held on October 20, 2010. No further reclamation is required or deemed desirable.

# VI. Surety for Future Disturbances:

The present surety bonds are to be released with respect to all Tejon quarries

permitted under NOI Large Mining Operations approved July 13, 2006, (M14/027/087) consisting of 9.91 acres (\$65,710.00).

\$16,200 of the bond amount is to be applied and retained by DOGM pursuant to the small mine permit application of the Operator for the Tejon #4 (Burgunday) quarry.

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments and obligations, herein.

DATED this 2<sup>nd</sup> day of November, 2010.

Stone Resources, LLC

W David Weston

## APPLICATION FOR MINERAL MINE PLAN TERMINATION

(NOI for Tejon Quarries Approved July 13, 2006) M14/027/087

Operator: Stone Resources, LLC (Predecessor Rocanville Stone)

Mine Name: Tejon Quarries (North Canyon, Millard County) File No. M14/027/087

Located Township 18 S Range 13 W Section 30 SLBM

# I. Schedule of Changes to the Mining and Reclamation Plan in Termination.

The Operator is hereby making application to terminate the Notice of Intention to Commence Large Mining Operations for the Tejon Quarries. The Large Mining Operations NOI was submitted to DOGM on February 27, 2004 and approved on July 13, 2006 as set out in DOGM file No. M14/027/087, which NOI is incorporated herein by this reference. The mine quarries subject to this termination are known and identified in the map attached hereto as Exhibit "A" and as set out in the original NOI application as:

Quarry	Acreage
Tejon #1	4.67
Tejon #2	1.32
Tejon #3	.99
Tejon #4	2.93
Total	9.91

Concurrently with this Application for Mine Plan Termination, the Operator has filed a small mine application with respect to the Tejon Quarry No. 4 (otherwise known as the Burgundy Quarry) a copy of which is attached hereto as Exhibit "C".

# **II. Mine Plan Reclamation Changes:**

The Operator has met with Mr. Glenn Carpenter, Director of the West Desert District Office of the BLM and Mr. Mike Gates, manager of the Fillmore Office along with Jerry Mansfield, geologist of the Fillmore BLM office regarding reclamation of the Tejon quarries. The BLM has requested that the Operator provide only minor reclamation to the Tejon mine sites as the BLM desires that these quarry sites be left open and exposed for fossil collection and Paleontological study. This determination alleviates any requirement for reclamation as set out in the NOI on page 12 under heading VII. Rule R647-4-110 - Reclamation Plan. The Tejon quarries have been cleaned of all foreign objects and materials, all paletized stone has been removed, the burms on the ends of the parking areas have been contoured for plant growth, all high walls have been appropriately reduced and roads leading into the quarry pits have been blocked. These actions have been approved by the BLM in an onsite meeting with Mr. Jerrry Mansfield held on October 20, 2010. No further reclamation is required or deemed desirable.

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#### II. Surety Bonds To Be Released:

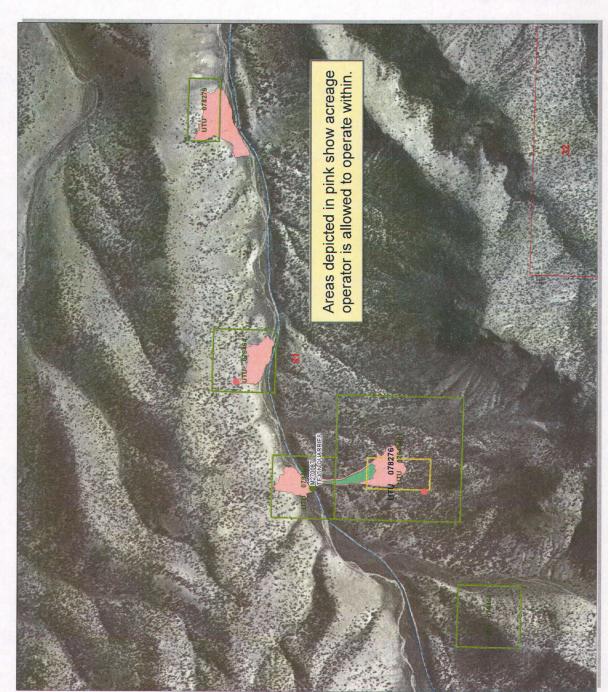
The Operator has filed concurrently with this Termination Application an Application for Site and Bond Release (a copy of which is attached hereto as Exhibit "B"). The Bond Release Application provides for the immediate release of all Surety Bonds held by DOGM (\$65,710.00) pursuant to Mine Plan M14/027/087 and its related Surety Agreement. DOGM and the Operator have agreed to retain \$16,200 in bonds as surety for the small mine permit concurrently filed by the Operator with respect to the Tejon #4 quarry, comprising some 2.93 acres.

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to the commitments and obligations, herein.

Dated this 2<sup>nd</sup> day of November, 2010.

W. David Weston

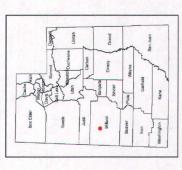
Manager of Stone Resources, LLC



Mine Number: M0270087 Mine Name: Tejon Quarries Township 18 S Range 13 W Section 30 SLBM

Inspection Date Apr. 11, 2006 Map Produced by DKS







Feet 1:7,500 1 inch equals 625 feet Verify Scale

# APPLICATION FOR SITE AND BOND RELEASE

To: State of Utah

> Department of Natural Resources Division of Oil, Gas and Mining

1594 West North Temple, Suite 1210

Box 145801

Salt Lake City, Utah 84114-5801

From Operator/Permittee: Stone Resources, LLC

218 W. Paxton Ave.

Salt Lake City, Utah 84101 Phone: 801-706-3462

Contact Person: W. David Weston (801-706-3462)

Mine/Project Name: North Canyon, Tejon Quarries, Millard County.

File Number:

M/027/087 - Large Mine permit

#### I. Site Release:

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> The Buckskin (Tejon #1) 4.67 acres The Smoke (Tejon #2) 1.32 acres The Mauve (Tejon #3) .99 acres The Burdundy (Tejon #4) 2.93 acres Total 9.91 acres

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# IV. Reason for Bond Release Request:

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# V. BLM Approved Limited Reclamation:

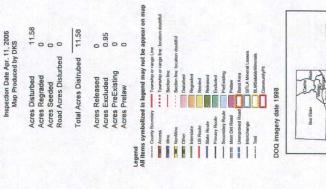
There are not wells or shafts within the Tejon quarries The Tejon quarries have been cleaned of all foreign objects and materials, all paletized stone has been removed, the burms on the ends of the parking areas have been contoured for plant growth, all high walls have been appropriately reduced and roads leading into the quarry pits have been blocked. No drainages are affected requiring restablishment or stabilization. No structures are present. All slopes, pits and highwalls are in a stable condition. No roads require reclamation and there are no erosion controls necessary. These actions have been approved by the BLM in an onsite meeting with Mr. Jerrry Mansfield held on October 20, 2010. No further reclamation is required or deemed desirable.

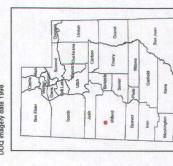
# VI. Surety for Future Disturbances:

The present surety bonds are to be released with respect to all Tejon quarries

# Areas depicted in pink show acreage operator is allowed to operate within.

# Mine Number: M0270087 Mine Name: Tejon Quarries Township 18 S Range 13 W Section 30 SLBM





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Dept. of Natural Resources Division of Oil, Gas, and Mining Mineral Mines Program

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Permit Fee \$	Ck #	

# STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801

Telephone: (801) 538-5291Fax: (801) 359-3940

#### NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

Note on confidentiality: Information provided in the notice of intention relating to the location, size, or nature of the mineral deposit that is clearly marked confidential will be protected as confidential. Each page or map requested to be kept confidential must be stamped or marked as such. The requested confidential information must describe how the confidential material relates to the location size or nature of the mineral deposit; provide a written claim of business confidentiality; and/or include a concise statement of reasons supporting the claim of business confidentiality, unless disclosing the location of explosives or historic, prehistoric, paleontological, or biological resource that must be considered confidential under statute.

"Small Mining Operations" mining operations which have a disturbed area of five or less surface acres at anytime.

# I. <u>GENERAL INFORMATION</u> (Rule R647-3-104)

- 1. Name of Mine: Tejon Quarry No. 4 (Burgundy Quarry)
- 2. Legal name of entity (or individual) for whom the permit is being requested:

Stone Resources, LLC 218 W. Paxton Ave. Salt Lake City, Utah 84101 Phone 801-706-3462

Fax: 801-487-6673

Email Address: dweston63@gmail.com

Type of Business: Limited Liability Company. Currently registered to do business in the State of Utah - entity Number 6503961-0160.

Manager: W. David Weston

3. Contact Person:

W. David Weston 218 W. Paxton Ave. Salt Lake City, Utah 84101 Phone: 801-706-3462

Email: <a href="mailto:dweston63@gmail.com">dweston63@gmail.com</a>

The above Contact person to be notified for all events.

Registered Utah Agent (as identified with the Utah Department of Commerce)

W. David Weston 218 W. Paxton Ave. Salt Lake City, Utah 84101

5. Ownership of Land Surface: Bureau of Land Management

Administrative Office 35 East 500 North Fillmore, Utah 84631

- 6. Ownership of Minerals: Department of Interior, Bureau of Land Management North Canyon Stone No. 4 and No. 5 UMC 407681 and UMC 407682.
- 7. Have the above surface and mineral owners been notified in writing? Yes
- 8. Does the Entity have legal right to enter and conduct mining operations on the land covered by this notice? Yes
- II. PROJECT LOCATION & MAP (Rule R647-3-105)
  - 1. <u>Protect Location & Map</u> (legal description):

County: Millard County

North Canyon Stone #4

T.18S.,R.13W.SLM Ut Sec.30: N1/2SE 1/4

North Canyon Stone #5

T.18S., R. 13 W. SLM Ut Sec. 30: SE1/4SW1/4&

SW1/4SE1/4

Name of Quad Map for Location: Miller Cove Quadrangle.

- 2. Location of Operations Maps:
- Map A. General Location Map: Portion of Miller Cove Quadrangle; Utah topographic map at 1 inch -- 2,000 feet scale. Area map with features known in 1991. Development to date added.
- Map B. Tejon Quarry Location plotted over a portion of Miller Cove Quadrangle; map at a scale of 1" = 200 ft. This Quarry is also

referred to as the Burgundy Quarry.

i. The area to be disturbed:

- ii. The location of any existing or proposed operations including access roads, drill holes, trenches, pits, shafts, cuts, or other planned activities; and
- ii. Any adjacent previous disturbance for which the operator is not responsible.
- 3. The proposed 2.93 disturbed area (including access/haul roads) is marked in the field ON THE GROUND with metal T-Posts. The markers are appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.

# III. OPERATION PLAN (Rule R647-3-106)

- 1. Type of mining: Surface
- 2. Mineral(s) to be mined: Decorative Stone Limestone building stone
- 3. Amount of material to be extracted, moved, or proposed to be moved:

Development to date as measured by DOGM is 2.93 acres. See Map B. Existing and Proposed Development in the Tejon#4 Quarry at a scale of 1" = 200'. areas for stone storage are shown for the Tejon #4 Quarry

- 4. Will any water, liquid chemicals, reagents, or other solutions be used, produced or discharged as part of the mining or milling process? No
- 5. Provide a brief description of the proposed mining operation and onsite processing facilities.

This will be an open pit operation. Limestone will be mined from the highwall faces and floor of the open pit. An excavator will be used to remove stone from the highwall. An excavator or front end loader will be used to pick up and move stone from the quarry floor to a work area where it will be spread out in thin layers away from the highwall face of the quarry. Salable limestone will be split, graded, stacked, and palletized for transportation off the site. Unusable material will be placed on the waste dump. Excavators, front end loaders, and/or dozers will be used in the operation. Palletized stone will be transported from the site on flatbed trucks.

Over a period fo twelve years it is anticipated that the Tejon #4 quarry will gradually increase from its present development of 2.391 acres to 5 acres.

- 6. No new roads are required.
- 7. No improvement to existing roads is required.
- 8. Total project surface acreage to be disturbed: 2.93 acres

- 9. Proposed startup date April 2011.
- 10. Proposed completion date, if known. 2022
- IV. OPERATION AND RECLAMATION PRACTICES (Rule R647-3-107,108 & 109) The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover or within practical limits. To accomplish this, the Permittee / Operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining. Please refer to <a href="The Practical Guide to Reclamation in Utah">The Practical Guide to Reclamation in Utah</a>, available at https://fs.ogm.utah.gov/pub/ MINES/Coal Related/RecMan/Reclamation Manual.pdf.
  - 1. Keep the mining operation in a safe, clean, and environmentally stable condition.
  - 2. Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.
  - 3. Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.
  - 4 Construct berms, fences, or barriers, when needed, above highwalls and excavations.
  - 5. Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.
  - 6. Remove all waste or debris from stream channels.
  - 7. Dispose of any trash, scrap metal, wood, machinery, and buildings.
  - 8. Conduct mining activities so as to minimize erosion and control sediment.
  - 9. Reclaim all roads that are not part of a permanent transportation system.
  - 10. Stockpile topsoil and suitable overburden prior to mining.
  - 11. Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible, reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.
  - 12. Properly prepare seedbed to a depth of six inches by pocking, ripping, discing, or harrowing. Leave the surface rough.
  - 13. Reseed disturbed areas with adaptable species. (The Division recommends a mixture of species of grass, forb, and browse seed, and will provide a specific species list if requested.)
  - 14. Plant the seed with a rangeland or farm drill, or broadcast the seed. Fall is the preferred time to seed.

#### V. <u>VARIANCE REQUEST</u> (Rule R647-3-110)

Any variance request must be approved in writing by the Division

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above (see IV. Operation and Reclamation Practices Item # 1-14), should be identified below listing applicable rule number. Give justification for the variance(s) and alternate methods or measure to be utilized. Written approval from the Division will be given, if the proposed alternative methods to be used are

VI. SURETY (Utah Code Ann. §40-8-7(1)[c])

consistent with the Act.

A reclamation contract and surety must be provided to and approved by the Division prior to commencement of operations. No surface disturbance is authorized until the surety is posted and approved in writing. The surety may be provided in the form of a certificate of deposit, a letter of credit, a surety bond, or cash. Please contact the Division for further information about submitting the surety. All mining operations are required to furnish and maintain reclamation surety to guarantee that the land affected is reclaimed (Utah Code Ann. §40-8-7(1)[c]).

The reclamation surety amount is based on the nature, extent and duration of operations. The amounts are based on data from current large mine surety and are used as a general guide, along with actual site conditions. Reclamation surety for small mines is reviewed every three (3) or five (5) years and adjusted as necessary for inflation/deflation based upon acceptable Costs Index. Contact the Division for the dollar amount required for a three (3) or five (5) year period for this project.

# VII. PERMIT FEE (Utah Code Ann. §40-8-7(1)(I))

A permittee's authorization under a notice of intention to conduct small mining operations shall require the paying of permit fees as authorized by the Utah Legislature (R647-3102.5). Permit fees are assessed to new and <u>existing</u> small mining operations, and annually thereafter, until the project disturbances are successfully reclaimed by the Permittee / Operator and released by the Division.

Small Mine Notices require a \$150.00 fee, which must accompany this application, or the Division cannot process it.

# VIII. SIGNATURE REQUIREMENT

#### CERTIFICATION

I state under penalty of perjury under the laws of the state of Utah and the United States of America that:

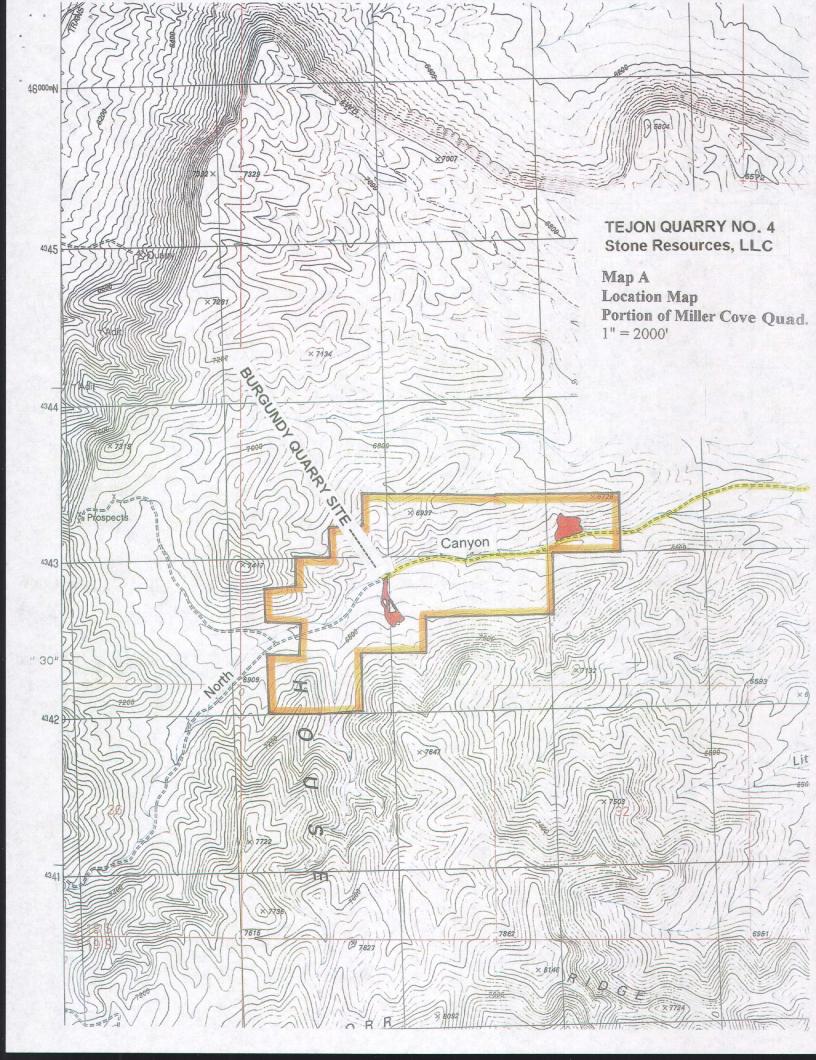
- I have read this form and declare the information, statements and/or documentation are true, correct and complete to the best of my knowledge and belief; AND
- b. I commit to the reclamation of the aforementioned small mining project as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.
- c. This certification must be signed by: (1.) an executive officer if the applicant

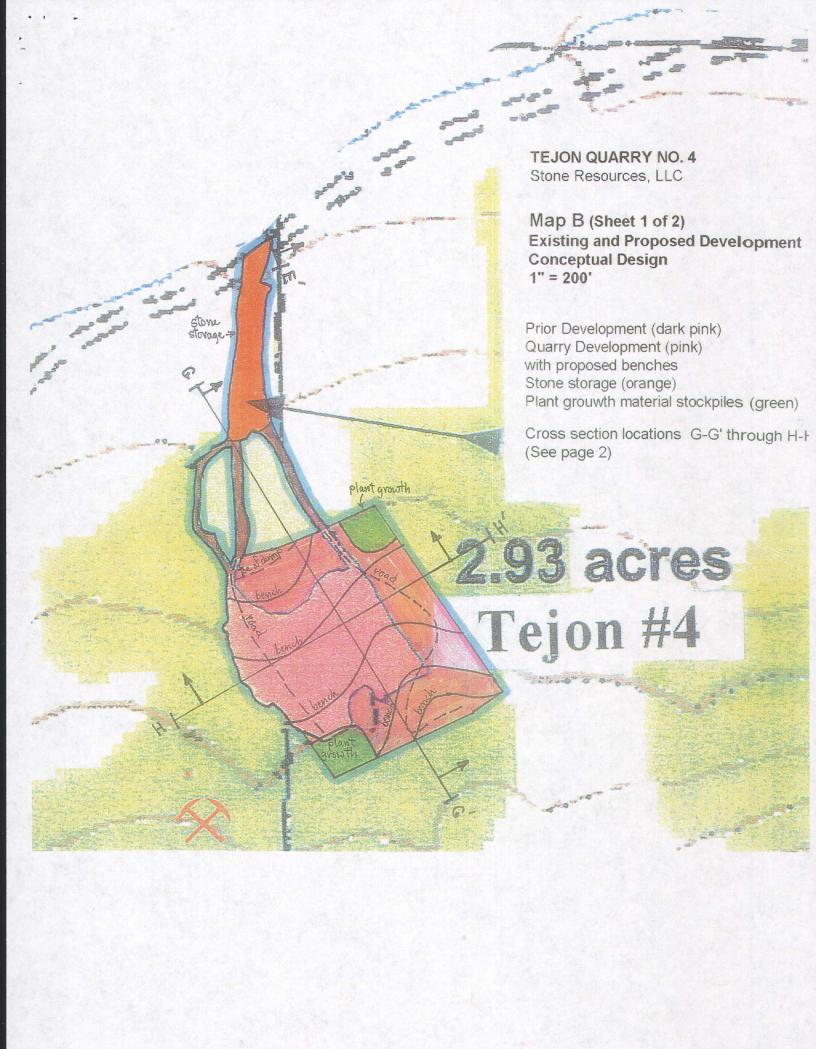
is a corporation; (2.) a partner if applicant is a partnership (general or limited); (3.) the owner if applicant is a sole proprietorship; or (4.) the member or manager if applicant is a limited liability company.

Dated this 2<sup>nd</sup> day of November, 2010.

STONE RESOURCES, LLC

W. David Weston, Manager





TEJON QUARRY NO. 4 Stone Resources, LLC

Map B (Sheet 2 of 2) Cross Sections 1" = 200' Tejon No. 4 Quarry

